(d) to (f) Since 1991 Government is continuing with econimic reforms in trade, industry, financial sectors etc. to improve efficiency productivity and competitiveness of Indian industries and to induce dynamism to the overall growth process. Economic reforms are a continuing process. The Union Budget for 2003-04 has proposed a number of initiatives such as promoting infrastructure development by leveraging public money through private sector participation, promoting private investment and measures aimed at fiscal consolidation. These initiatives are expected to have a positive influence on the growth of the economy.

Sale of Shares by ICICI Bank

55. SHRI K. CHANDRAN PILLAI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the ICICI bank has decided to sell off their shares in the South Indian Bank and Federal Bank;

(b) if so, the details of the percentage of shares ICICI bank holds in both the banks; separately alongwith the reasons for the decision to sell the shares;

(c) whether Government have received proposals for the purchase of ICICI shares in the above banks by Indian/Foreign Banks; and

(d) if so, the details thereof.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) and (b) ICICI Bank had sold 2,00,000 shares of Federal Bank Ltd. during August 2003. Bank has not sold any shares of South Indian Bank in the past one year. As on November 19, 2003 ICICI Bank Ltd. held 20.40% (45,32,400) equity shares in Federal Bank Ltd. and 11.40% (40,73,350 equity shares) in South Indian Bank Ltd. According to ICICI Bank these investments being financial investments, any decision regarding sale/purchase of shares is taken by the investment Committee/Board of Directors of the bank.

(c) No, Sir.

(d) Does not arise.